

Owner Notification; Due Diligence

Notifying Property Owners

Reasonable efforts to locate owners should be made when an account first becomes inactive or a check remains uncashed. Businesses are required to mail a notice to all owners of property due that will be included in their annual report. Below are some tips when notifying owners.

- If mail has been returned, it is important you keep records of the owners' last known addresses. The last known address needs to be included in your report. This information is crucial in our efforts to verify ownership of property.
 - If the due diligence letter is returned back as undeliverable with no forwarding address, no further efforts are required. *Take note of the returned mail and submit the last known address to the State Treasurer's Office.*
 - If mail is returned undeliverable, but with a forwarding address, it is up to the business to mail another letter to that address. Essentially, the last known address is the last address in which the business contacted the owner.
- A business is not required to mail a due diligence letter to owners whose property has a combined value of less than \$50.00.
- Include the business contact information in the due diligence letters.
- Provide at least thirty days' notice to the owners before submitting the report to the State Treasurer's Office.
- For situations where the business knows the owner is deceased, the State Treasurer's Office encourages the business, in the spirit of the unclaimed property law, to send the due diligence letters to the last known address. Typically, an heir will receive the letter and can reconnect on behalf of the owner.

Disposition of Unclaimed Property

If 35% or more of the accounts are claimed within 24 month of filing the report, the Treasurer of State may charge a \$5 fee to the reporting business for each record claimed. For specific language, refer to [Iowa Code Chapter 556.11](#).

Sample Due Diligence Letter

[Iowa Code Section 556.2](#) provides the wording for a sample due diligence draft notice below:

[Insert Date]

[Name]

[Address]

[City, State, Zip]

Re: (Property Description)

Dear Customer,

According to our records, we have had no contact with you regarding (insert type of property) for more than (number) years. Under Iowa law, if there is a period of (number) years without contact, we may be required to transfer these funds to the custody of the Iowa State Treasurer's Office as unclaimed property. You may prevent this by taking some action, such as a deposit or withdrawal to indicate your interest in this account, contacting the number listed below, or by signing this form and returning it to us.

Reporting Business Name:

Contact Person:

Address:

Phone Number:

Email:

If we do not hear from you before (insert the last date by which the company can remove items for refunds before reporting to the State), the law requires us to submit this obligation to the Iowa State Treasurer's Office.

Sincerely,

Reporting Business Name

I _____ wish to have my unclaimed property returned to me. Please send the funds to me at the above address (Please make corrections to the address if necessary) or as otherwise indicated.